

Amendments to the Drawings

The attached sheet of drawings includes changes to Figure 3. This sheet, which includes Figure 3 only, replaces the original sheet including the same figure.

In the figure as submitted, the equation for calculating the "Subscription fee" in "Example 1", entered as " $75 \times \$95 = \$7,125$ ", was mistyped. The proper equation to calculate the Subscription fee should be the same as that shown in Example 2. That is, the correct equation is the amount of subscription fee (\$6,650) plus the product of the number of partners exceeding the collaboration community size (70) and the additional partner /month fee (\$95/ea).

Thus, in the present drawing amendment, the equation for calculating the Subscription fee in Example 1 of FIG. 3 is amended to read " $\$6,650 + (5 \times \$95) = \$7,125$ ".

### REMARKS

Claims 38-42, 44-46, 48-51, 56-60, 62-69, 71-75 and 78-97 are pending in the case. In the final office action mailed July 1, 2005, all claims stand rejected. This is a reply to the final office action submitted with a Request for Continued Examination. In the present submission, claims 38, 39, 58-60, 62-69, 71-75, and 78-97 have been cancelled, claims 40-42, 44-46, 48-51, and 56-57 have been amended, and new claims 98-111 have been added. Claims 1-37, 43, 47, 52-55, 61, 70, 76-77 have been previously cancelled. Applicant has also amended the specification and the drawing to correct typographical errors. Reconsideration is respectfully requested.

### Drawing and Specification Amendments

FIG. 3 has been amended to correct a typographical error in the formula for calculating the subscription fee in Example 1 of the figure. As shown in the "Service Provider's subscription plan" in FIG. 3, when plan B is selected, the client pays the subscription fee of \$6,650 and then pays \$95 for each partner exceeding 70. The total subscription fee is \$7,125. The specification has been amended to correct typographical error and to conform the description to FIG. 3.

### Support for Claim Amendments

In the present submission, independent method claim 38 has been cancelled and is replaced by new claim 98. Claim 98 recites "determining a value based on applying a predetermined function to a subscription fee paid by one or more subscribing partners, wherein the value indicates a net saving to the host subscription fee for the client for using the hosted enterprise solution." Support for this claim limitation of claim 98 can be found in Figure 3 and the related description (Applicant's specification, page 11, line 17, to page 13, line 5) where labels 16 and 26 indicates the net saving applied to modify the host subscription fee. See specifically, Application's specification, page 12, lines 8-9, and page 12, line 17, to page 13, line 3.

Claim 98 also recites "monitoring each subscribing partner in the portion of the collaboration community who enrolls a subscription for his use of the hosted enterprise solution as part of being in the collaboration community and thereby contributes to the value."

Support for this claim limitation of claim 98 can be found in page 5, lines 15 to 18, and also in Figure 2 and the related description (Applicant's specification, page 10, line 8, to page 11, line 16) where the number of "subscribers signed" (labels, 3, 7, 60, 12) is being monitored to determine if the client has reached his goal of 75 new subscribers in order for the client to completely waive his subscription fee (see Application's specification, page 10, lines 16-17).

Finally, Claim 98 recites "monitoring each non-subscribing partner in the portion of the collaboration community who does not enroll a subscription for his use of the hosted enterprise solution as part of being in the collaboration community and thereby does not contribute to the value." Support for this claim limitation of claim 98 can be found in Figure 2 the related description (Applicant's specification, page 10, line 8, to page 11, line 16) where the numbers of "Indecisive invitees" and "Invitees declined subscription" are being monitored. Further support can also be found in Applicant's specification, page 4, lines 6-9, where the cost-sharing system and method of the present invention is described as being operated to allow the client to collaborate with those partners who will not share the solution costs for using the enterprise solution.

Support for the amendments made to claims 40-41 can be found in Applicant's specification, page 8, lines 4-6.

Support for the amendments made to claim 42 can be found in Figure 6 and its related description (Applicant's specification, page 16, line 19, to page 17, line 12).

Other amendments to the claims are made to update the dependency of the claims to the new independent claim 98 and also to amend the claim terms to be consistent with the new independent claim 98. No new matter has been entered.

#### §112 Rejections

Claims 59-60, 62-69, 71-75, 78-89 and 95-97 have been rejected under 35 U.S.C. §112, first paragraph, for failing to comply with the enable requirement. In the present submission, claims 59-60, 62-69, 71-75, 78-89 and 95-97 have been cancelled and the rejection as to these claims is therefore moot.

Claims 40-41 and 62-63 have been rejected under 35 U.S.C. §112, second paragraph, for being indefinite because the step of "enabling" in these claims is unclear. Claims 62-63 have been cancelled and the rejection as to these claims is therefore moot. In the present submission, claims 40-41 have been amended to clarify the claims. Applicant submits that claims 40-41, as amended, now meet the requirements under §112, second paragraph.

For the above reasons, the claims currently presented meet the requirement under §112. Withdrawal of the §112 rejections of the present claims is respectfully requested.

#### §101 Rejections

Claims 59-60, 62-69, 71-75, 78-89 and 95-97 have been rejected under 35 U.S.C. §101 because the claimed invention is not directed to non-statutory subject matter. In the present submission, claims 59-60, 62-69, 71-75, 78-89 and 95-97 have been cancelled and the rejection as to these claims is therefore moot.

#### §103 Rejections

Claims 38-42, 44-46, 48-51, 56-60, 62-69, 71-75 and 78-97 have been rejected under 35 U.S.C. §103(a) as being unpatentable over Shorter (U.S. 2002/0198782). The Examiner contends that Shorter, describing a method and system for long-term customer retention by apply an incentive on a monthly, on-going basis, recites all the limitations of the rejected claims. (See Office action, pp. 7-9.) In the present submission, claims 38, 39, 58-60, 62-69, 71-75 and 78-97 have been cancelled and the rejection as to these claims is therefore moot. Independent method claim 38 has been replaced by new claim 98. Applicant respectfully traverses the rejections.

Shorter describes a system and method for reducing turnover among subscribers to a service offered by a service provider. (See Abstract of Shorter.) Specifically, Shorter describes a system and method where a user enrolled as a member of a customer network having to pay a predetermined basic monthly service cost. The user may refer others to become subscribers. The system and method operates by "implementing a data base of service provider subscribers that indicates an association between each member and the member's referral subscribers, calculating a service credit for the member based upon activity of the referral subscribers, and applying the service credit to offset the member's

predetermined basic monthly service cost.” (See Shorter, paragraphs [0015] and [0034].) In sum, Shorter describes a system and method where a user may reduce his/her monthly service cost for the use of the provider’s service by referring others to become subscribers of the same service.

Under the scheme proposed by Shorter, only subscribers (the original subscriber and the referral subscribers) may utilize the service (such as a wire communication service) provided by the service provider. A person who does not subscribe will not be able to use the service provided by the service provider. This feature of Shorter is made particularly clear in the original provisional application submitted by Shorter, of which the Examiner relied on for priority to render Shorter a proper prior art reference over the present application. In the original provisional application submission (a copy of which is enclosed), Shorter describes a “hierarchical network structure” where “[s]ponsors earn reasonable commissions on consumer and distributor sales...to cover the sponsor’s cost of service from a service provider.” Thus, Shorter’s scheme requires the downstream consumers/distributors to subscribe to the service so that “a network of sales volume” can be generated to cover the sponsor’s own cost of service.

After the present amendment, new independent method claim 98 replaces cancelled independent method claim 38. Applicant submits that claim 98 is patentable over Shorter for the following reasons.

Claim 98

Claim 98 recites:

98. A method for a service provider to enable cost-sharing of a host subscription fee for a client’s use of a hosted enterprise solution in a collaboration community, in which the client and its collaboration partners communicate among themselves online, the method...comprising:

generating a list of the partners that forms at least a portion of the collaboration community;

determining a value based on applying a predetermined function to a subscription fee paid by one or more subscribing partners, wherein the value indicates a net saving to the host subscription fee for the client for using the hosted enterprise solution;

monitoring each subscribing partner in the portion of the collaboration community who enrolls a subscription for his use of the hosted enterprise solution as part of being in the collaboration community and thereby contributes to the value;

**monitoring each non-subscribing partner in the portion of the collaboration community who does not enroll a subscription for his use of the hosted enterprise solution as part of being in the collaboration community and thereby does not contribute to the value; and**

updating the client's host subscription fee based at least in part on the value. (Emphasis added.)

Claim 98 is patentable over Shorter at least by reciting "monitoring each non-subscribing partner in the portion of the collaboration community who does not enroll a subscription for his use of the hosted enterprise solution as part of being in the collaboration community and thereby does not contribute to the value." In the claimed method of claim 98, the client pays a host subscription fee for the client's use of the hosted enterprise solution for communicating with its collaboration partners. While the client may invite one or more of its collaboration partners to become subscribers or subscribing partners and thereby receives a reduction in the client's host subscription fee, the client may continue to communicate with all of its collaboration partners regardless of whether the partners are subscribers. Therefore, in the claimed method of claim 98, the client's collaboration community includes a partner who *"does not enroll a subscription for his use of the hosted enterprise solution"*

Shorter does not teach or suggest at least this limitation of claim 98. A "sponsor" in Shorter (see provisional application submission of Shorter) may receive a reduction in his cost of service by referring the service to others who eventually subscribe to the service. However, Shorter does not teach or suggest allowing a *non-subscribing partner* to use the service provided by the service provider to communicate with the "sponsor". Claim 98 is distinguishable over Shorter in part because in the claimed method of claim 98, a client pays a host subscription fee for using a hosted enterprise solution to communicate with its collaboration partners who may or may not be subscribing partners. While the client does not derive a fee reduction benefit from a non-subscribing partner, the client and the non-subscribing partner are able to continue to communicate using the hosted enterprise solution. For the reasons stated above, claim 98 is patentable over Shorter.

Claims 40-42, 44-46, 48-51 and 56-57

Claims 40-42, 44-46, 48-51 and 56-57, dependent upon claim 98, are patentable at least for the same reasons that claim 98 is patentable.

For the above reasons, claim 98 and its associated dependent claims are patentable over Shorter. Withdrawal of the §103(a) rejections of these claims is respectfully requested.

New Claims 98-111

New claim 98 replaces cancelled claim 38 and has been discussed above.

New claims 99-110, dependent upon claim 98, are patentable at least for the same reasons that claim 98 is patentable.

Support for claim 99 can be found in Applicant's specification, page 8, lines 7-9.

Support for claim 100 can be found in Applicant's specification, page 11, lines 9-10.

Support for claim 101 can be found in Applicant's specification, page 8, lines 4-6.

Support for claim 102 can be found in Applicant's specification, Figure 2 and related description where the number of "Invitees declined subscription" is being tracked.

Support for claim 103 can be found in Applicant's specification, page 5, lines 8-12.

Support for claim 104 can be found in Applicant's specification, page 8, lines 12-14.

Support for claim 105 can be found in Applicant's specification, Figure 2 and related description where the number of "Subscribers needed to waive subscription" and the "Goal" are being tracked.

Support for claim 106 can be found in Applicant's specification, page 5, lines 8-12.

Support for claim 107 can be found in Applicant's specification, Figure 6 and page 17, lines 9-10.

Support for claim 108 can be found in Applicant's specification, Figure 5 and page 15, lines 3-4.

Support for claim 109 can be found in Applicant's specification, Figure 4 and page 13, lines 6-8.

Support for claim 110 can be found in Applicant's specification, page 8, Figure 3 and related description where the "subscription fee" for the client is described.

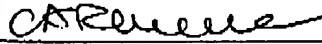
Support for claim 111 can be found in Applicant's specification, page 8, lines 7-9.

CONCLUSION

After the present amendment, claims 40-42, 44-46, 48-51, 56-57 and 98-111 are pending in the case. For the reasons stated above, the application is in condition for allowance and passage of the case to allowance is respectfully requested. If the Examiner would like to discuss any aspect of this application, the Examiner is invited to contact the undersigned at (408) 382-0480.

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Date of Signature

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